

made as soon as the Cooperating Sponsor has adequately investigated the circumstances, but in no event more than ninety days from the date the loss became known to the Cooperating Sponsor. The report shall identify the party in possession of the commodities and the party responsible for the loss, damage or misuse; the kind and quantities of commodities; the size and type of containers; the time and place of misuse, loss, or damage; the current location of the commodity; the Program Agreement number, the CCC contract numbers, or if unknown, other identifying numbers printed on the commodity containers; the action taken by the Cooperating Sponsor with respect to recovery or disposal; and the estimated value of the commodity. The report shall explain why any of the information required by this paragraph cannot be provided. The Cooperating Sponsor shall also report the details regarding any loss or misuse of sale proceeds or program income.

(2) The Cooperating Sponsor shall report quarterly to the Agricultural Counselor or Attache any loss, damage to or misuse of commodities resulting in loss of less than \$500. The Cooperating Sponsor shall inform the Agricultural Counselor or Attache or CCC designated representative if it has reason to believe there is a pattern or trend in the loss, damage, or misuse of such commodities and submit a report as described in paragraph (h)(1) of this section, together with any other relevant information the Cooperating Sponsor has available to it. The Agricultural Counselor or Attache may require additional information about any commodities lost, damaged or misused.

(i) *Handling claims proceeds.* Claims against ocean carriers shall be collected in U.S. dollars (or in the currency in which freight is paid) and shall be remitted (less amounts authorized to be retained) by Cooperating Sponsors to CCC. Claims against Cooperating Sponsors shall be paid to CCC in U.S. dollars. With respect to commodities lost, damaged or misused, amounts paid by Cooperating Sponsors and third parties in the country of distribution shall be deposited with the U.S. Disbursing Officer, American Embassy, preferably in U.S. dollars with

instructions to credit the deposit to an appropriate CCC account as determined by CCC, or in local currency at the highest rate of exchange legally obtainable on the date of deposit with instructions to credit the deposit to an appropriate CCC account as determined by CCC. With respect to sale proceeds and program income, amounts recovered may be deposited in the same account as the sale proceeds and may be used for purposes of the program.

[61 FR 60515, Nov. 29, 1996, as amended at 63 FR 59877, Nov. 6, 1998]

§ 1499.16 Records and reporting requirements.

(a) *Records and reports—general requirements.* The Cooperating Sponsor shall maintain records for a period of three (3) years from the date of export of the commodities that accurately reflect the receipt and use of the commodities and any proceeds realized from the sale of commodities. The Government of the Exporting Country may, at reasonable times, inspect the Cooperating Sponsor's records pertaining to the receipt and use of the commodities and proceeds realized from the sale of the commodities, and have access to the Cooperating Sponsor's commodity storage and distribution sites and to locations of activities supported with proceeds realized from the sale of the commodities.

(b) *Evidence of export.* The Cooperating Sponsor's freight forwarder shall, within thirty (30) days after export, submit evidence of export of the agricultural commodities to the Chief, Export Operations Division, KCCO. If export is by sea or air, the Cooperating Sponsor's freight forwarder shall submit five copies of the carrier's on board bill of lading or consignee's receipt authenticated by a representative of the U.S. Customs Service. The evidence of export must show the kind and quantity of agricultural commodities exported, the date of export, and the destination country.

(c) *Reports.* (1) The Cooperating Sponsor shall submit a semiannual logistics report to the Agricultural Counselor or Attache and to the Director, CCC Program Support Division, FAS/USDA, Washington, DC 20250-1031, covering

the receipt of commodities. Cooperating sponsors must submit reports on Form CCC-620 and submit the first report by May 16 for agreements signed during the period, October 1 through March 31, or by November 16 for agreements signed during the period, April 1 through September 30. The first report must cover the time period from the date of signing and subsequent reports must be provided at six months intervals covering the period from the due date of the last report until all commodities have been distributed or sold and such distribution or sale reported to CCC. The report must contain the following data:

- (i) Receipts of agricultural commodities including the name of each vessel, discharge port(s) or point(s) of entry, the date discharge was completed, the condition of the commodities on arrival, any significant loss or damage in transit; advice of any claim for, or recovery of, or reduction of freight charges due to loss or damage in transit on U.S. flag vessels;
- (ii) Estimated commodity inventory at the end of the reporting period;
- (iii) Quantity of commodity on order during the reporting period;
- (iv) Status of claims for commodity losses both resolved and unresolved during the reporting period;
- (v) Quantity of commodity damaged or declared unfit during the reporting period; and
- (vi) Quantity and type of the commodity that has been directly distributed by the Cooperating Sponsor, distribution date, region of distribution, and estimated number of individuals benefiting from the distribution.

(2) If the Program Agreement authorizes the sale or barter of commodities by the Cooperating Sponsor, the Cooperating Sponsor shall also submit a semiannual monetization report to the Agricultural Counselor or Attache and to the Director, CCC Program Support Division, FAS/USDA, Washington, DC 20250-1031, a monetization report covering the deposits into and disbursements from the special account for the purposes specified in the Program Agreement. Cooperating Sponsors must submit reports on Form CCC-621 and submit the first report by May 16 for agreements signed during the period,

October 1 through March 31, or by November 16 for agreements signed during the period, April 1 through September 30. The first report must cover the time period from the date of signing and subsequent reports must be provided at six months intervals covering the period from the due date of the last report until all funds generated from commodity sales have been distributed and such distribution reported to CCC. The report must contain the following information and include both local currency amounts and U.S. dollar equivalents:

- (i) Quantity and type of commodities sold;
- (ii) Proceeds generated from the sale;
- (iii) Proceeds deposited to the special account including the date of deposit;
- (iv) Interest earned on the special account;
- (v) Disbursements from the special account, including date, amount and purpose of the disbursement;
- (vi) Any balance carried forward in the special account from the previous reporting period; and
- (vii) In connection with a section 416(b) Program Agreement only, a description of the effectiveness of sales and barter provisions in facilitating the distribution of commodities and products to targeted recipients, and a description of the extent, if any, that sales, barter or use of commodities:

- (A) Affected the usual marketings of the United States;
- (B) Displaced or interfered with commercial sales of the United States;
- (C) Disrupted world commodity prices or normal patterns of trade with friendly countries;
- (D) Discouraged local production and marketing of commodities in the recipient country;
- (E) Achieved the objectives of the Program Agreement; and
- (F) Could be improved in future agreements.

(3) The Cooperating Sponsor shall furnish the Government of the Exporting Country such additional information and reports relating to the agreement as the Government of the Exporting Country may reasonably request.

[61 FR 60515, Nov. 29, 1996, as amended at 63 FR 59878, Nov. 6, 1998]